



STATE OF MARYLAND

DHMHOffice of Health Services
Medical Care ProgramsMaryland Department of Health and Mental Hygiene
201 W. Preston Street • Baltimore, Maryland 21201

Robert L. Ehrlich, Jr., Governor – Michael S. Steele, Lt. Governor – Nelson J. Sabatini, Secretary

MARYLAND MEDICAL ASSISTANCE PROGRAM
Medical Day Care Transmittal No. 49

June 10, 2004

TO: Medical Day Care Centers

FROM: Susan J. Tucker, Executive Director
Office of Health Services

NOTE: Please ensure that appropriate staff members in your organization are informed of the contents of this transmittal.

RE Fiscal Year 2005 Per Diem Rate

In accordance with Regulation .09D under COMAR 10.09.07 Medical Day Care Services, per diem rates for medical day care providers are adjusted annually. The adjustment is based on the percentage of the annual increase or decrease in the March Consumer Price Index for All Urban Consumers, medical care component, for the Washington-Baltimore region. This index increased by 2.7% between March 2003 and March 2004. Therefore, the current per diem rate (\$64.66) will increase by 2.7%. The new rate, effective for services delivered on or after July 1, 2004, will be **\$66.41**.

Medicaid reimbursement for medical day care services is not subject to cost settlement. However, in accordance with COMAR 10.09.07.09E, the payment to a provider may not exceed the lesser of the per diem rate (\$66.41 effective July 1, 2004) or the provider's customary charge to the general public. This means that a provider may not bill for the Medicaid per diem rate for any recipient if there are private pay participants for whom the provider charges less than the Medicaid per diem rate for the same service, unless based upon an approved sliding fee schedule. Providers who elect to use a sliding fee schedule should continue to follow the guidelines in Medical Day Care Transmittal No. 25 dated January 12, 1989. Regardless of whether a provider uses a sliding fee schedule, any provider who chooses to set its private charge below the Medicaid rate must bill Medicaid no more than its private charge.

Questions regarding this transmittal should be directed to the Medical Day Care Specialist at 410-767-1444.

cc: League for Excellence in Adult Day Care
Maryland Association for Adult Day Services

Mdctrans

Toll Free 1-877-4MD-DHMH • TTY for Disabled – Maryland Relay Service 1-800-735-2258

Web Site: www.dhmh.state.md.us